

TO : General Manager

FROM : Acting Director Parks and Customer Services / Group Manager Executive and Economic Development

DATE : 28 August, 2014

SUBJECT : **THE SPRINGS - WELLINGTON PARK – FUTURE DEVELOPMENT OPTIONS**

FILE : 70-42-5 :LK (o:\pr\reports\parks\2014\september\the springs - wellington park - future development options.docx)

1. INTRODUCTION

- 1.1. This report aims to consider future development options for the Springs Site (Wellington Park) in the light of the following notice of motion supported by Council and in addition to a number of recent enquiries.

2. BACKGROUND

- 2.1. Council on 25 August 2014 supported the notice of motion below, with the addition that the report also address *‘the City of Hobart funding such a facility’*:

‘That:

1. A report be prepared to consider:

- (i) An appropriate open and transparent process to facilitate an appropriate development at The Springs, Mt Wellington that contains at least a visitor centre, food facilities and possibly accommodation.*
- (ii) The selected process to stipulate that a world class standard is expected of any such development, which would showcase innovative architecture that respects the environment, heritage and indigenous values of kunanyi/Mount Wellington.*
- (iii) Previous information collected by the Hobart City Council to be incorporated into the report.*
- (iv) The Council reaffirm its commitment that The Springs remains the Council’s preferred site for development on Mount Wellington.’*

- 2.2. In line with the notice of motion, this report seeks to highlight high level future development options for the Springs site, the most appropriate mechanism to facilitate this and the extent to which Council may want to be involved. This will be formulated within the context of existing developer interest, Council interest and planning regulations, all of which will be outlined first.

Developer Interest

- 2.3. The subject of development at the Springs site has been ongoing since 1999 when the City of Hobart and Wellington Park Management Trust first called for expressions of interest from interested parties for concepts that could include a restaurant, accommodation and other facilities for the public such as a visitor centre.
- 2.4. The successful consortium (Vos Constructions Pty Ltd) from the 1999 process included Robert Morris-Nunn, Brian Risby and a number of Queensland based investors.
 - 2.4.1. What was selected as the preferred development proposal included resort accommodation, restaurant, conference facilities, day activity / interpretation area including kiosk, public toilets, series of ponds and additional parking.
 - 2.4.2. The exhibition and hearing process of the development application (DA) revealed that a portion of the site had a high level of cultural heritage significance, for this reason, only the visitor centre component of the development was granted a permit by the Resource Planning and Development Commission on 10 November 2004.
 - 2.4.3. This permit lapsed and a new permit for ‘visitor centre, cafe, public toilets, plough shed, parking and walkway’ was approved.
- 2.5. An option that could be investigated in subsequent reports is the packaging of the Springs site as the primary development site with the Pinnacle as a secondary hub. This may aid with financial viability and ensure that the facilities and design of each site were complementary rather than detrimental to each other.

City of Hobart Interests

- 2.6. In response to news of the developer withdrawal in mid April 2014 and the condition of existing facilities, at its meeting of 26 May 2014, Council resolved:

'That:

1. *Upgrading of visitor facilities at The Springs be undertaken as an interim measure in response to the withdrawal of the Visitor Centre proposal for the site.*
 - (i) *Works include refurbishment of the existing park furniture, toilet, stone hut, car park surface and layout, interpretive signage, associated landscaping and the provision of a new accessible toilet.*
 - (ii) *The cost of the renewal components of park furniture, car park surface and layout and signage, estimated at \$140,000, be funded from the Bushland Strategy and Projects Function within the 2014/2015 Annual Plan and be implemented in 2014/2015.*
2. *An expression of interest process be undertaken for the operation of a coffee van at The Springs with a view that the operation commence in the Summer of 2014/2015.*
 - (i) *The expression of interest documentation provide conditions including maximum hours of operation, requirement to provide some basic visitor information and be trialled for an initial period of 12 months.*
3. *Approval be granted to lodge a planning application for the accessible toilet and coffee van.*
4. *The Wellington Park Management Trust be requested to review the current Springs Master Plan with the Council to provide a financial contribution to the Trust of \$15,000 to be funded from the Open Space Planning Function within the 2013/2014 Annual Plan.*
5. *A report be provided which examines future development options available to achieve the permanent development of visitor facilities at The Springs.'*
- 2.7. Work to date has focussed on items 1-4 of the above resolution. Progress toward the refurbishment of the Springs infrastructure includes:
 - 2.7.1. Further consultation with Council and Wellington Park Management Trust officers to progress design work.
 - 2.7.2. Quotes invited for preparation of new site interpretation material.

- 2.7.3. Condition assessment and indicative quotes received for repair of existing parking area pavement.
- 2.7.4. Quotes invited to undertake condition assessments of the existing water supply and sewer infrastructure.
- 2.8. The submission of a development application for the upgrading of visitor facilities is to be submitted in mid September 2014. Planning approval for the operation of a coffee van is also to be sought in this development application.
- 2.9. Officers from the Wellington Park Management Trust and the City of Hobart are currently developing the brief for review of the Springs Master Plan. It is anticipated this work will be undertaken in the 2014-15 year.
- 2.10. As work to date has focussed on the refurbishment of existing facilities at the Springs, detailed research into future development options for the permanent development of visitor facilities at the Springs has not yet been undertaken (item 5 of Council resolution).
- 2.11. However, based on the previously granted development application and discussions to date, such needs may include:
 - 2.11.1. Permanent visitor information and interpretation of the historic and natural values and recreational opportunities available on kunanyi / Mount Wellington.
 - 2.11.2. Provision for the Wellington Park Management Trust – or City of Hobart – to staff the centre (part-time) and provide direct advice and interpretation to park visitors (i.e. reception area for Wellington Park Rangers).
 - 2.11.3. Provision of food and beverages to park visitors.
 - 2.11.4. Public facilities including barbeque and picnic areas, all-weather shelter, car parking and accessible public conveniences.
 - 2.11.5. Designated meeting point for tours, interpretive programs and guided activities.
 - 2.11.6. Secure storage for specific equipment used in the area, such as the snow plough used on Pinnacle Road during winter.
- 2.12. In some locations, such needs are combined into a single high-quality visitor centre that is developed by the land manager. This centre becomes the focus for visitor services (interpretation,

information, refreshments) and park administration. Some centres may offer a concession to a private operator to provide food and beverage services.

- 2.13. The proximity of kunanyi / Mount Wellington to the existing services in Fern Tree and Hobart may lessen the demand for some services. However, there remains merit in considering how a combination of the above needs could be addressed through permanent visitor facilities.

Planning Considerations

- 2.14. The Wellington Park Management Plan 2013 (WPMP) is the principal planning instrument for regulating use and development throughout the Park. It is afforded this status by the Wellington Park Act 1993.

2.14.1. The WPMP (Chapter 3) highlights the Springs as one of the 2 principal activity nodes in the Park where a greater range of activities and development are allowed. The other node is at the Pinnacle.

2.14.2. Chapter 8 of the WPMP guides where activities, use and development (including leases, licences and permits) can occur within the Park and sets out processes for seeking permission from the Trust for activities and development. Note that landowner consent for use and development is also critical (The City of Hobart being the owner of the Springs and Pinnacle sites).

2.14.3. Chapter 8A contains the use and development provisions applying to the Springs Specific Area.

Use and Development	Status
Tourist Operation (use of land specifically to attract tourists): only for visitor centre, interpretation centre, viewing shelter and ancillary uses to the provision of these including limited associated retail	D
Food Services: (use of land for preparing or selling food or drink for consumption on or off the premises): cafe, restaurant and take-away food premises	D
Visitor Accommodation: only for holiday cabins and/or lodge-style complex, walkers' bunkhouses and/or cabins	D
Transport Depot and Distribution (use of land for distributing goods or passengers): only for bus terminal, council depot, or a Potential Transport Mode	D
Vehicle Parking: only for single storey	D
Camping: which requires site infrastructure; excluding rough camping	X
Utilities: only for telecommunications, electricity generation, transmitting power, transport networks, collecting, treating, transmitting, storing, distributing or disposing of water, sewerage or sullage	D
Storage: only for Park management purposes	D

Natural and Cultural Values Management:	
Park Management office	D
Park seating	P
Toilets	P
Picnic/BBQ facilities	P
Viewing shelter/building	D
Visitor Information/interpretation panels	P
Fire Trails (where endorsed in a Fire Management Strategy prepared in accordance with the Management Plan)	D
Lookouts (open air)	D
Recreation trails and related structures (when endorsed in a Recreation Strategy, Walking Track Strategy or Bike Strategy prepared in accordance with the Management Plan)	P

Permitted (P), discretionary (D) and prohibited use and development (X)

- 2.15. The Wellington Park Act 1993 (WPA) also additionally defines the Park’s use and management, although it explicitly states that in the event of conflict between the management plan and the planning scheme, the management plan is to prevail.
- 2.16. The Springs Initial Conservation Policy (2007) (Springs ICP) Section 8.5.8 of the WPMP specifies that assessment of use and development must be guided by the Springs Initial Conservation Policy (2007). The Springs ICP was endorsed by both Council and the Trust in 2007. Chapter 7 of the Springs ICP contains detailed policy statements for the management of the cultural heritage values of the Springs area. It also designates 5 precinct management zones and prescribes heritage management objectives and specific policies for each of these.
- 2.17. The Springs Zone Master Plan (2008). Section 8.5.8 of the WPMP specifies that assessment of use and development must be guided by The Springs Zone Master Plan (2008). This document was supported by Council and endorsed by the Trust in March 2008. The Springs Zone Master Plan outlines the key values of the Springs area, and provides the essential principles for developing the place and the approach to development, including the siting of structures, road, car parks, paths and landscaping.
- 2.18. City of Hobart Planning Scheme 1982 (CHPS). The provisions of the CHPS apply to use and development at the Springs, except where those provisions are in conflict with the provisions of the WPMP.
- 2.19. Hobart Draft Interim Planning Scheme 2014 (HIPS). Under the HIPS, use and development in Wellington Park is regulated through section F3.0 Wellington Park Specific Area Plan. This provides that: *“Notwithstanding any other provision of this planning scheme, any use or development of land in Wellington Park must be undertaken in accordance with the provisions of the Wellington Park Management Plan.”* The HIPS was submitted by

Council in April 2014 to the Minister for Planning for declaration as an interim planning scheme. A decision is still awaited.

3. PROPOSAL

- 3.1. Against the backdrop of developer interest, Council commitments and planning regulations, this report seeks to consider high level options for the site moving forward. Options are:
 - 3.1.1. Do nothing. Council as landowner may decide to refuse the lodgement of development applications on the site at present.
 - 3.1.2. Facilitate development through a full EOI (expression of interest) process.
 - 3.1.2.1. EOI
 - 3.1.3. Council may alternatively seek to facilitate development by allowing DAs to be submitted.
 - 3.1.3.1. Any DAs would then be considered by Council against criteria set out in the Wellington Park Management Plan 2013, other guiding documents highlighted previously in this report and any other agreed Council requirements. Council as landowner will issue permission for any DAs to be lodged that are judged to fulfil the criteria.
 - 3.1.3.2. Any DAs lodged would then be considered through the formal planning process.
 - 3.1.3.3. Note that subject to planning approval being granted by Council as planning authority, Council as the landowner would make the final decision about whether the development would proceed.
 - 3.1.3.4. This approach is in line with the current Council position with regard to development at the Pinnacle site, kunanyi / Mount Wellington.
 - 3.1.4. The final potential approach is that Council may act as developer (or partner with a private sector operator) to fund the construction of desired visitor facilities. The feasibility of this approach would depend on what facilities Council decide are appropriate and necessary at the Springs site and would be subject to a further detailed report.

4. IMPLEMENTATION

- 4.1. Should Council be minded not to allow developers to lodge DAs, it will be obliged to communicate this intention.
- 4.2. Should Council seek to facilitate development by proceeding through an EOI process, further consideration of this detailed procedure must be brought to Council via a further report. This report may consider Council aspiration for the site in terms of visitor infrastructure, best practice models of development and operation, which may include packaging sites together.
- 4.3. If Council opt to consider DAs against criteria, prior to issuing permission or refusing permission for the DA to be lodged, Council should publically announce this position.
- 4.4. Should Council opt to develop visitor infrastructure on the Springs site alone or in partnership with a private sector partner, a further report would be required, considering the nature, scope and type of development and best practice models of construction and subsequent operation.
- 4.5. Section 8.5.8 of the WPMP provides that at its discretion, the Council may call for expressions of interest or utilise any other process the Council deems appropriate, to determine the appropriate detailed design, construction and operation of the development.

5. STRATEGIC PLANNING IMPLICATIONS

- 5.1. Adopting an active approach to development on the Springs site aligns with previous Council decisions that have highlighted this as the preferred location for the development of visitor facilities within Wellington Park.

6. COMMERCIAL OPPORTUNITIES

- 6.1. The coffee van proposal provides the potential for revenue creation for the Council which will be addressed as part of the EOI process.
- 6.2. This report fundamentally considers the potential of commercial development on the Springs site and thus need not be commented on further.

7. FINANCIAL IMPLICATIONS

- 7.1. This report alone has no financial implications for Council. The financial implications will depend on whether Council adopts an active or passive approach to development on this site and what

level of development it advocates. These implications will be considered in subsequent reports once Council stance has been ascertained.

- 7.2. The funds to improve facilities at the Springs site have already been committed from the 2014/15 budget and will go ahead regardless of Council's approach to further development.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1. Any of the four potential options pose the risk of alienating certain groups within the community.
- 8.2. If Council opt to do nothing, there is a risk of negative perceptions from developers that Council is not open to development. Also, the refusal of DA lodgement for this site may be seen to contravene Council's clearly stated position that the Springs site is the preferred location for the development of visitor facilities within Wellington Park.
- 8.3. There is a risk that proceeding down the full EOI option may once more result in a protracted process with no development forthcoming as has been experienced previously.
- 8.4. Should Council invite DAs for consideration prior to issuing permission (or not) for the DA to be lodged, there is a risk that no DAs submitted are of adequate quality to be lodged. This may present a delay in the development of visitor facilities on the site.
- 8.5. Should Council opt to develop visitor facilities on the site alone or in partnership, there are potential risks that this approach could represent a financial burden. Such a risk would be minimised by the consideration of best practice public sector models of such developments elsewhere.
- 8.6. There is a risk that Council will need to write off some of the assets installed at the Springs site as part of agreed refurbishments should further development occur in the short to medium term. This has been somewhat mitigated by ensuring that the majority of the assets (including park furniture and accessible toilet) can be moved to another site.

9. LEGAL IMPLICATIONS

- 9.1. As landowner, Council would be within its right to refuse the lodgement of DAs.
- 9.2. Should a full EOI process be enacted, Council may decide to seek additional probity and legal guidance to support this complex procedure.

10. ENVIRONMENTAL IMPLICATIONS INCLUDING CLIMATE CHANGE AND SUSTAINABILITY

10.1. All planning and legislative documents mentioned in section 2.10 place preservation of the environmental beauty of kunanyi / Mount Wellington in the fore. Any development applications would be submitted with this in mind.

11. SOCIAL IMPLICATIONS

11.1. Opening this site up for development if controlled diligently has the potential to make it more accessible and user friendly for more societal groups.

12. CUSTOMER IMPLICATIONS

12.1. Improvements to visitor infrastructure, visitor information and food and beverage provision are regularly requested.

13. DELEGATION

13.1. This is a matter for Council.

14. CONSULTATION

Paul Jackson – Manager, Legal & Governance
Matt Lindus – Acting Manager, Bushlands and Reserves
James McIlhenny – Senior Development Planner

15. CONCLUSION

15.1. Given a number of recent events and enquiries, Council once more faces the decision of how best to proceed with the Springs site, kunanyi / Mount Wellington.

15.1.1. Options are:

- Do nothing (as land owner, refuse to allow the lodging of DAs).
- Facilitate development via a full EOI process.
- Facilitate development by allowing DAs to be submitted, for consideration by Council as landowner as to whether or not to issue permission for the DA to be lodged.
- Council develop the necessary visitor facilities (alone or with a private sector partner).

16. RECOMMENDATION

That:

- 16.1. *The report :rn(o:\pr\reports\parks\2014\september\the springs - wellington park - future development options.docx) be received and noted.*
- 16.2. *The Council will consider development applications for the Springs site that are consistent with the Wellington Park Management Plan.*
- 16.3. *Before agreeing as land owner to the lodgement of a development application for consideration, the Council will advise any proponent of what criteria the Council may require over and above consistency with the Wellington Park Management Plan.*
- 16.4. *The Council authorise the General Manager to advise Mr Robert Morris-Nunn of the Council's decision.*
- 16.5. *The Wellington Park Management Trust be advised of the Council's decision.*
- 16.6. *An appropriately worded media release be prepared and distributed.*

As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.



(Tim Short)
**GROUP MANAGER EXECUTIVE
AND ECONOMIC DEVELOPMENT**



(Rob Mather)
**ACTING DIRECTOR
PARKS AND CUSTOMER
SERVICES**

Attachments B: Disposal of Real Property – Probity Policy